

April 6, 2006

Dear Mr. Martin J. Gruenberg,

I have been hearing reports of a possible WalMart Bank being introduced into the banking market. I am concerned with this, as simply the sheer size of this company entering into an already highly competitive banking market (where the companies are already stretched from competing against each other and credit unions) will simply devastate.

Here, in Boston since 2003, we had a local bank, Bank of Boston, taken over by the larger Fleet Bank to form the Fleet Bank of Boston (FBB). Fees went up for everything with FBB. FBB was later bought by Bank of America in 2004. On 30 March 2006, the Bank of America was cited in the Boston Globe newspaper for more fee hikes, "The move comes at a time when banks are facing earnings pressure as interest rates rise."

Adding WalMart into the banking sector will certainly not help these banks, or any of its customers. Also local banks keep the money nearby. Bank of America, just by its name, does not provide this benefit, and loans will be harder to get. A local bank has more ties to the community than a superbank, and this keeps the bank's interests local.

Walmart, by itself as a retailer, already accounts for 12% of our entire U.S. trade deficit with China, threatens our national security, removed employment from our manufacturing labor force, smothered small business, and underpays its employees. Twelve percent of our national debt is an impressive amount for one corporation to be responsible for. On national security, if the United States ever went to war with China (anything over Taiwan, Brazil, communist expansion, ....) the United States would be at a severe disadvantage, because we simply no longer produce any of our products ourselves- everything is now made in China/Bangladesh or wherever Walmart has set up manufacturing. As a result, most of our manufacturing folks can no longer find work. For the small business owner, reported on NPR yesterday, Walmart is now setting up classes for small business owners to educate them on how to stay in business when a Walmart store moves in. Walmart is also failing to provide adequate health insurance to its employees, forcing states to pick up the cost through taxes. To guarantee this remains, Walmart, with its influential money, contributes to key political funds to assure no bill passes that will change this (e.g. Maryland governor).

In conclusion, Walmart does not need to disrupt the banking industry with its overweighted financial advantage. It will pull money out of towns and after they are gone, fees will go up for a less beneficial product. Loans will be more difficult to get. As a result of Walmart moving into a town,

small stores disappear. With a Walmart Bank, the towns will be gone too.

Please consider the effects of allowing a giant financial power enter the strained banking sector. Personally, I have not shopped in Walmart in years, and I hope to be able to be a client of my local bank.

Sincerely  
Marc A. Plante  
Middleton, MA